

Monthly Progress Report #1

For the project entitled:

**Research in Support of Container/Trailer on Flatcar in Intermodal
Service on Montana's Class 1 Railroads
RFP# 308128 RP**

Reporting Period: June 1, 2007 - June 30, 2007

Submitted by:

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Submitted to:

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Research Programs
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Task 0: Project Management

During this month, the Kick-off meeting for the project was held on June 13, 2007. The meeting included members from the Technical Committee and Craig Abernathy (MDT), the Project Manager. Jerry Stevens and Mike Cole with WTI were also present as part of the consultant team assembled for this project. Bob Sleeker has taken another job and will be replaced by Libby Ogard for this project.

A presentation of the work plan and early findings were presented at the kick off meeting by the principal investigator. Input and direction on the project activities was solicited from the committee members.

Task 1: Literature Review and Original Research (3.2.1.1)

A literature review is being conducted to determine the state of the practice in the rail intermodal industry. Past studies conducted by Montana, North Dakota, Washington and Idaho have been requested. Information on Montana economic activities and agencies has been collected. A questionnaire to determine user interest has been drafted.

A draft user interest survey was developed and circulated for the Technical Committee's review. Comments were included in the final draft of the survey.

Action Items for Next Month:

- Continue review

Task 2: Identification of Users by Geographic Region (3.2.1.1.1)

Over 30 economic development agencies in Montana have been contacted to determine potential users, and or interest in terminal development. Professional associations have been identified which include Montana Grain Growers Association, Montana Mining Association and Montana Wood Products Association.

Action Items for Next Month:

- Identify International trade groups
- Finalize data collection tool and distribute

Task 3: A Terminal Profile (3.2.1.1.2)

No action has been taken on this task.

Action Items for Next Month:

- Begin initial review of survey and interview responses.

Task 4: Develop Montana Shipper Cost Model ((3.2.1.1.3)

Questions were developed for a data collection tool to capture this information.

Action Items for August Month:

- Identify trucking companies who serve Montana shippers.

Task 5: Document Current Intermodal Activities (3.2.1.1.4)

Interviewed BNSF about operations and intermodal activities in the state of Montana.
Drafted a letter requesting information and support for the study.

Action Items for Next Month:

- Contact other Class 1 railroads operating in Montana

Task 6: Exploration of Railroad Incentives (3.2.1.1.5)

This task is scheduled to begin October 2007.

Task 7: Intermodal Service Recommendation (3.2.1.2)

Draft report to be sent for review November 2007

Final report and Project Summary Report to be completed by December 31, 2007

Summary of Expenditures

Table 1 summarizes the expenditures on this project through June 30, 2007. Expenditures during June 2007 were \$12,313.87 leaving \$71,730.13 for the remainder of the project.

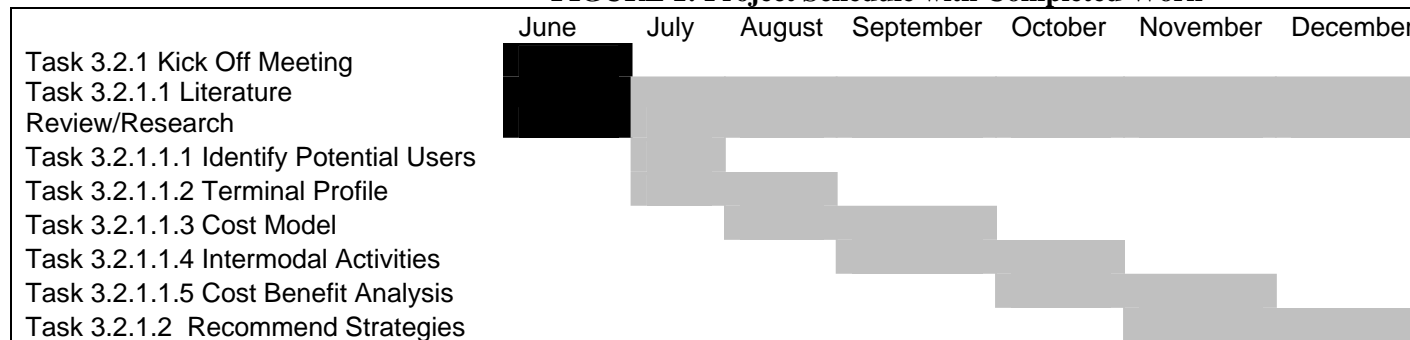
TABLE 1. Summary of Expenditures

Budget Category	Budgeted Funds	Spent This Period	Total Spent	Total Remaining
Labor	\$27,521.00	\$3,640.00	\$3,640.00	\$23,881.00
Subcontract	\$16,398.00	\$3,645.00	\$3,645.00	\$12,753.00
Travel	\$4,800.00	1243.94	\$1,243.94	\$3,556.06
Operatons/Communication	\$1,000.00	\$144.93	\$144.93	\$855.07
Indirect	\$34,325.00	\$3,640.00	\$3,640.00	\$30,685.00
Total	\$84,044.00	\$12,313.87	\$12,313.87	\$71,730.13

Project Schedule Summary

A summary of the project status is shown in Figure 1. The project kick off meeting was held June 13, 2007. A data collection tool has been completed and many users have been identified. A substantial amount of work is ahead of the team.

FIGURE 1: Project Schedule with Completed Work



Hours By Task	PI Ogard Hours	Hourly Rate 70	Ogard June Labor	WTI Stephens Hours	Hourly Rate 65	WTI S June Labor	WTI Cole Hours	Hourly Rate 50	WTI C June Labor	Total Hours	Total Cost
Task 3.2.1 Kick Off Meeting	28	70	1960	18	65	1170	18	50	900	64	4030
Task 3.2.1.1 Literature Review/Research	24	70	1680	15	65	975	12	50	600	51	3255
Task 3.2.1.1.1 Identify Potential Users											
Task 3.2.1.1.2 Terminal Profile											
Task 3.2.1.1.3 Cost Model											
Task 3.2.1.1.4 Intermodal Activities											
Task 3.2.1.1.5 Cost Benefit Analysis											
Task 3.2.1.2 Recommend Strategies											
June	52	140	3640	33	130	2145	30	100	1500	115	7285